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UKRAINE

SUCCESS STORY

Farmers Get Better Access to Inputs

Improved agrodealer shops help Ukraine's small farmers



Photo: CNFA

USAID helps agrodealers like this one in Kherson Oblast learn essential business skills to better serve local farmers. This dealer expanded her assortment of products, speeded up product delivery, and improved customer service.

“The material presented at the training was particularly interesting to me, especially since I do not have a formal business education. As I started implementing the concepts learned at the training, such as inventory management, optimization of product assortment, and customer service, my business’s performance improved significantly,” said Sergey Bezzubov, an agrodealer in Kherson.

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Changes in Ukraine’s economy and market have improved the country’s nascent private agricultural sector, comprised of small-scale farmers and household plot owners. The growing number of private farmers has created a demand for better ways to distribute agricultural supplies — known as inputs — such as hybrid seeds, crop protection chemicals, and farm tools. Local retailers have picked up on the demand for these items and have begun stocking them. But many of these rural entrepreneurs and their employees have limited business management knowledge, leading to poor customer service and sometimes even damaging relationships with the companies that supply them with inventory.

In order to address these issues, USAID funded a project to help train agrodealers in business management. The project, aided by USAID’s Farmer-to-Farmer program, tapped into the expertise of volunteer farmers and agribusiness experts to develop a curriculum they could use to teach the retailers in Ukraine how to better manage their businesses and better supply farmers’ needs. The course included four modules covering key aspects of the input supply business, business planning, financial management, retail marketing, and consultative salesmanship.

Representatives from three participating agrodealers from Kherson oblast attended two seminars, each lasting three days. After the seminars, volunteer agribusiness experts provided on-site consultations with the dealers to help them apply the lessons learned in the classroom to their own businesses.

Having improved their business planning, marketing, and customer service skills, the participating agrodealers were able to serve customers more effectively, expand product assortment, and better manage inventory. Most importantly, the agrodealers were able to sell more tools to more Ukrainian farmers. As a result of this project, the three participating agrodealers increased their combined sales by almost \$120,000 and served an average of 500 more clients than in the previous year. As a result of training and improved management, dealers brought in greater profits and served more customers. Perhaps more importantly Ukraine’s private farmers, the farmers finally found a retailer who was professional, well-stocked, and responsive to their needs.